

**Spring 2008  
Industry Study**

**Final Report  
News Media and Strategic Communications Industry**



**The Industrial College of the Armed Forces  
National Defense University  
Fort McNair, Washington, D.C. 20319-5062**

Report Documentation Page				Form Approved OMB No. 0704-0188	
Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.					
1. REPORT DATE <b>2008</b>		2. REPORT TYPE		3. DATES COVERED <b>00-00-2008 to 00-00-2008</b>	
4. TITLE AND SUBTITLE <b>Spring 2008. Industry Study. News Media and Strategic Communications Industry</b>				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>National Defense University, The Industrial College of the Armed Forces, Washington, DC, 20319</b>				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT <b>Same as Report (SAR)</b>	18. NUMBER OF PAGES <b>35</b>	19a. NAME OF RESPONSIBLE PERSON
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>			

## NEWS MEDIA AND STRATEGIC COMMUNICATIONS 2008

**ABSTRACT:** The news media industry and the U.S. national security strategy have been inextricably linked since the founding of the country, when newspaper articles became the medium for widespread public discussion. In the globalized 21<sup>st</sup> century, the news media industry plays an increasingly important role in questioning, evaluating, informing, influencing and disseminating the stories and events important to American life, the American democracy and America's national security. Faced with competitive pressures, changing consumer preferences, market fragmentation and dwindling profits, the preeminence of America's traditional news media industry is in jeopardy. Emerging business strategies facing the news media industry demand that leaders improve the quality of news coverage to maintain the trust with its customer base. The focus on the quality of the news may determine whether it can remain viable in a competitive market. Regardless of the media platform, the production of objective, credible, and timely news content is a necessary prerequisite to financial viability. News providers must establish their core competencies and expend the resources necessary to provide a quality product. Also key to the news media industry's survival is the acceptance of new, non-traditional players in the field of journalism. Rather than decry the growing band of bloggers and citizen journalists, the industry must continue to find new means to leverage those who uphold journalistic values of objectivity and credibility as news providers. Lastly, our democracy and the freedoms it automatically confers upon its' citizens demands that information produced by the United States government is credible news and not propaganda. By encouraging and facilitating the free flow of information and ideas between the public, the news media industry and the government, we ensure that our national dialogue is as unfettered and vibrant as the Founding Fathers hoped it would be.

Mr. James M. Ahlgrimm, Dept of Energy  
 Ms. Nancy K. Andrews, Dept of Air Force  
 COL Martin G. Binder, US Army  
 CDR John P. Eckardt, US Navy  
 LTC Carl S. Ey, US Army  
 Ms. Annette P. Feeley, Dept of State  
 CAPT Lisa M. Festa, US Coast Guard  
 COL Jonathan C. Guden, US Army  
 Col Andrew D. Ingram, US Air Force  
 Mr. Scott D. LaCoss, Defense Intelligence Agency  
 Ms. Stephanie Lopez, Dept of Defense  
 Mr. Steven B. Love, Dept of Army  
 CDR Patrick J. McClanahan, US Navy  
 Ms. Katherine A. Munchmeyer, Dept of State  
 Col Heinrich K. Rieping, Jr. US Air Force  
 Mr. Robert E. Sauerwalt, IBM  
 Ms. Patricia D. Van Belle, Dept of Defense  
 Lt Col Tracey L. Watkins, US Air Force

Lt Col Sean Herr, US Air Force, Faculty  
 CAPT Eric Myhre, US Navy, Faculty

## **DOMESTIC**

### **Places Visited**

ABC News, NY, NY  
 Al Jazeera, Washington Bureau, Washington, DC  
 American Press Institute, Reston, VA  
 Associated Press, Washington, DC  
 Bloomberg News, NY, NY  
 CBS Radio Network and CBS News, NY, NY  
 CSPAN, Washington, DC  
 The Colbert Report, NY, NY  
 The Daily Show, NY, NY  
 Discovery Communications, Silver Spring, MD  
 Fox News/News Corp, NY, NY  
 Foreign Press Center, Washington, DC  
 Freedom Forum/Newseum, Washington, DC  
 Lehman Brothers, NY, NY  
 Military Times, Springfield, VA  
 Middle East Media Research Institute, Washington, DC  
 Nielsen Media Research, NY, NY  
 Office of the Secretary of Defense, Public Affairs, the Pentagon, Washington, DC  
 US Navy Office of Information, the Pentagon, Washington, DC  
 The New York Times, Washington Bureau, Washington, DC and NY, NY  
 Reuters America, NY, NY  
 United Arab Emirates Embassy  
 US News and World Report, Washington, DC  
 Voice of America, Washington, DC  
 The Wall Street Journal Online Edition, NY, NY  
 The Washington Times, Washington, DC  
 WTOP Radio Station, Washington, DC  
 XM Satellite Radio, Washington, DC

### **Guest Speakers**

Mr. Matt Armstrong, Mountain Runner, Blogger  
 Mr. Tom Rosenstiel, Project for Excellence in Journalism, Washington, DC  
 Dr. Joseph Campbell, American University School of Communications, Washington, DC  
 Mr. Sid Davis, Former Director VOA, and Former Washington Bureau Chief, NBC News  
 Mr. David Foley, Deputy Director / Spokesman, Office of Press and Public Diplomacy  
 Bureau of Near Eastern Affairs, U.S. Department of State  
 Ms. Beth Shankle, Library of Congress  
 Ms. Rosemary Harold, Federal Communications Commission  
 Ms. Barbara Ferguson, Washington Bureau Chief, Arab News  
 Mr. Jim Miklasewski, NBC News Pentagon Correspondent  
 Ms. Anna Mulrine, U.S. News and World Report

## INTERNATIONAL

### Places Visited

Hurriyet, Istanbul, Turkey  
Milliyet, Istanbul, Turkey  
NTV, Istanbul, Turkey  
Show TV, Istanbul, Turkey  
Turkish Daily New, Istanbul, Turkey  
TUSCIAD, Istanbul, Turkey  
University of Marmara School of Journalism, Istanbul, Turkey  
U.S. Consulate, Istanbul, Turkey  
Yeni Safek, Istanbul, Turkey  
Zamen, Istanbul, Turkey  
Al Arabiya, Dubai, U.A.E.  
Dubai Media City, Dubai, U.A.E.  
Dubai TV, Dubai, U.A.E.  
Emirates Center for Strategic Studies and Research, Abu Dhabi, U.A.E.  
Radio Sawa, Dubai, U.A.E.  
U.S. Embassy, Abu Dhabi, U.A.E.  
British Broadcasting Corporation World Service, London, England  
The Economist, London, England  
Financial Times, London, England  
The Guardian, London, England  
SKY Television, London, England  
Strategic Communications Lab, London, England

ICAF

## Introduction

An informed society is indispensable to the workings of the American constitutional republic. How long could our democracy “of the people, by the people and for the people” survive without an informed, responsible citizenry? Joseph Pulitzer described the journalist “the lookout on the bridge of state. He peers through fog and storm to give warning of dangers ahead. He is there to watch over the safety of the people who trust him.”<sup>1</sup> The consent of the governed provides the underpinnings of accountability, demanding that “governments long established,” be thrown off in favor of “new guards” for the security, happiness and safety of the governed.<sup>2</sup> The Declaration of Independence begins by outlining the unalienable rights of the people. However, it also outlines the people’s responsibility to defend those rights. To protect these rights, we “mutually pledge to each other our Lives, our Fortunes and our sacred Honor.” Fulfilling this pledge, defending the right of the people to “exercise their sovereign opinion over the whole of government,” requires wise men to act responsibly, to be informed about activities of the community, the state, the world and their government.<sup>3</sup> “The consent of the governed,” demands that the governed remain responsible, informed and engaged.<sup>4</sup> The news media, America’s *fourth estate*, makes independent information accessible to enable the people to fulfill their responsibilities as citizens.

Freedom of speech, assembly, and the press enable the people to carry out their duties as American citizens. James Madison reminds us in Federalist Paper 49, “it is the reason, alone, of the public, that ought to control and regulate the government.”<sup>5</sup> The *reason* of the public is served by a strong, independent and aggressive media. Journalists link the people to the local, national and international events of consequence to the American state. Reporters, editors, publishers and distributors of the news strengthen the American democracy, enabling the reason of the people by providing credible, accurate information. The strength of the American democracy and the defense of the American state demand that the people’s reason be well-argued and the government well-challenged. The delegation of the people’s power, the surrender of their constitutional sovereignty and the defense of unalienable rights is a responsibility that Americans must exercise cautiously and with considerable understanding. Madison warned that “A people who mean to be their own governors, must arm themselves with the power that knowledge gives.”<sup>6</sup>

The laws of the nation, both constitutional and statutory, are designed to provide the press with the protections necessary for their effective functioning. American courts zealously uphold the unique purpose of the press by preventing prior restraint and making it particularly difficult to criminalize the journalist without evidence of malice disregard.<sup>7</sup> However, there has been considerable variation over time in the government’s openness, transparency, and loyalty to the spirit of the First Amendment. Secrecy and security often collide and conflict with the people’s right to know. The fourth estate assists in maintaining one of the many checks and balances fundamental to the American democracy.

## The News Media and Strategic Communications Industry Defined

The news media industry addressed in this paper includes all sources and distribution methods of news that affect, impact, shape and explain the U.S. national security strategy, as well as the dissemination of information on events of national and local interest. In addition to *traditional*, or mainstream, media such as newspapers, and radio and television broadcasts, the industry also

includes the *new* media enabled by the internet and other technologies. Specific providers of news content are rarely single operating entities, but are typically subsumed within larger conglomerates operating across the industry. Technology is expanding the way consumers receive news and may fundamentally change the industry's business model which has been historically dependent on advertising revenue.

### **The News Media and Strategic Communications Industry and National Security**

The news media influences and shapes world events, public opinion and government action. Real time media coverage of events simultaneously impacts decision makers at all levels of government around the world, often in unpredictable ways. Global, modern communication technologies and the twenty-four hour news cycle present governments and military commanders with significant information challenges. Technology permits the public to watch events unfold in real time and anticipate their government's response. Faced with constant information flow about global events, civilian and military leaders have less time for analysis, assessment and decision making. Media coverage can derail operations, erode international support and negatively influence domestic public opinion. The politician and the military strategist must recognize the potential of the information element of power and appreciate that the news media are not an *ends*, but rather a *means*, of operations. The military strategist must understand the potential affect the news media can have on national security decision making at every level of command. Effective news media engagements and properly planned public affairs operations can shape international support, pave the way for public diplomacy initiatives and strengthen the will of the American people.

### **Industry Segment Assessments**

#### **Newspapers**

##### **Current Conditions**

The newspaper industry continues to experience significant soul-searching. Publishers and editors struggle to develop products to satisfy the demands of readers, advertisers, and investors as circulation rates continue to decline. Since 2001, circulation rates have dropped by 8.4% for daily publications, and by 11.4% for Sunday offerings.<sup>8</sup> Aside from USA TODAY and The Wall Street Journal, which managed small gains of less than 1 % each for the six-month period ending in March 2008, every other newspaper in the top 20 tier posted declines in circulation. Advertising, the most significant piece of the newspaper's business model, also fell in 2007 with newspapers experiencing a 9.4% decline in print advertising.<sup>9</sup> Although newspapers seek to balance lost print revenue with on-line advertising dollars, the 18.8% rate of increase in on-line advertising revenues in 2007 was markedly lower than the previous two years and failed to cover the print advertising reductions. The combination of falling subscription rates and advertising revenue has resulted in a 42% loss in market value over the past three years for independent, publicly traded U.S. newspapers.<sup>10</sup>

##### **Challenges**

Newspapers must determine what type of information their readers expect or require and invest accordingly to meet that expectation. Thousands of newspapers are published in the U.S. on a daily, weekly, or monthly basis. Of the approximately 1,400 daily newspapers, only 100

have circulations of more than 100,000, and the vast majority serves a circulation base of less than 25,000.<sup>11</sup> According to one industry expert, whether the newspaper serves a national, metropolitan, or local audience will dictate their response to the challenges facing today's newspapers.<sup>12</sup> While metropolitan newspapers may find it difficult to follow a particular path to success, national papers can survive by investing in "distinctive international or business coverage," while local papers focus on becoming "more intensely loyal."<sup>13</sup>

## **Outlook**

Newspapers are pursuing initiatives to expand their relevance to readers, and augmenting their print product with online offerings. Some newspapers are embracing the vision set forth in the American Press Institute's Newspaper Next project, through which the newspapers become "information and connection utilities."<sup>14</sup> In an effort to strengthen their online advertising capabilities, several newspaper publishers have joined a consortium of publishers teamed up with Yahoo Inc.<sup>15</sup> This, coupled by the Audit Board of Circulation's broadening of the definition of "paid circulation" to include online viewers, provided a glimmer of hope for a brighter online advertising future.<sup>16</sup> These are some of the industry initiatives underway that will enhance the economics of the industry. Expectations are that more initiatives will develop and those newspapers that embrace change and flexibility could succeed.

A promising trend is non-profit ownership. In addition to the many newspapers owned and operated by non-profit foundations, several new ventures developed in the last year.<sup>17</sup> In 2007, the Huffington Post, a blog dedicated to social and political commentary, joined several other online-only news websites.<sup>18</sup> According to estimates from Nielsen NetRatings and comScore, the Huffington Post rose from sixteenth place in December 2007 and is more popular than all but eight newspaper sites.<sup>19</sup> Lastly, some newspapers are conducting their own experiments with "hyper-local" sites, which rely on user contributions and allow others to pen regional, national and world news.<sup>20</sup>

## **Broadcast News**

### **Current Conditions**

Two and a half decades ago, the evening newscasts were viewed as cornerstones of the broadcast news media industry. They had credible, easily recognizable anchors that provided more current news than the day's newspapers, and delivered it in a 30 minute format that easily fit into a family's evening schedule. Today, evening newscasts' viewership has declined from a combined viewing audience of 56 million in the early 1980's to 25 million in 2007.<sup>21</sup> Evening newscasts are no longer more current sources of news than newspapers because most of the newspapers maintain a 24/7 presence on the internet.

### **Challenges**

Almost half (42%) of U.S. journalists surveyed indicated that they did not expect nightly network newscasts to survive for another decade or to exist 20 years from now.<sup>22</sup> All 3 networks recognize the shift from the traditional news broadcast to alternative forums and therefore have made inroads on the internet through alliances with other media companies.<sup>23</sup> However, despite initiatives to distribute news via the internet, 80% of national and local TV and radio journalists indicate that on-air newscast is the top priority of their news organization. Consequently, they spend less time producing content for their websites.<sup>24</sup>



Another significant challenge for broadcast news is its aging audience. The average age of the evening news audience is 61.4 which is a slight increase from 5 years ago. The morning news programs attract a younger, more female audience, but the average age is still 53.8.<sup>25</sup> The number and type of viewers that the broadcast news programs attract directly influences the amount of advertising revenue that the programs generate. (Older viewers in the demographic group of *Persons 55-64* do not generate as much advertising revenue as the younger demographic groups.<sup>26</sup>) Since advertising revenue is essentially the sole source of all revenue for these programs, it is easy to understand why the decline in the number of viewers as well as the average age of the typical viewer are significant factors in determining their long term viability.

## Outlook

Even with a shift to alternative outlets for news, a trusted news brand and a solid reputation will still be critical, and probably even more if there are many options from which to choose on the internet. Network newscast organizations have the experience and ability to sift through the information and news each day and frame a story into a context that makes it relevant.<sup>27</sup> Network newscasts will have to leverage this ability to ensure they have a viable future regardless of whether they present news in a traditional format or in a new medium.

Broadcast news can capitalize on its solid reputation and ability to frame a story into context in its news magazine segment. *60 Minutes* serves as an excellent example of how successful the networks can be in carefully crafting an item of interest. Over the course of *60 Minutes*' tenure, it has been the only news program to finish on the Nielsen top 10 list of highest rated programs and has stayed there for 23 consecutive years from 1977-2000.<sup>28</sup> Furthermore, CBS recognized that the storytelling quality of a *60 Minutes* segment also performs strongly in the audio domain of a podcast. By providing the availability of free podcasts through iTunes, CBS is extending the reach of broadcast news to a wider, younger audience.<sup>29</sup>

## Cable Television

### Current Conditions

Cable television provides the news media industry and the viewing audience with access to the 24-hour news cycle. Despite this constant flow of information, cable news media has become a niche medium that offers viewers a narrow lens of the day's events.<sup>30</sup> The 24 hour news cycle can be divided into two distinct parts: the daytime portion focused on crime and disaster, and the nighttime portion focused on topics that elicit controversy and targets distinct audiences. It is this nighttime, or primetime, cycle that is structured around commentator-led discussions that veer toward political and controversial topics.<sup>31</sup>

The revenue stream of cable television as a whole, as well as the cable news media, is made up of subscription fees and advertising. In fact, the majority of cable television's revenue comes from subscription fees.<sup>32</sup> While cable television's overall revenue continued to grow for cable television, the percentage of growth was slightly less in 2006 than in the prior three years.<sup>33</sup> Furthermore, the cable news media industry segment continued to enjoy substantial increases in profits in 2007, even though they did not meet analyst estimates.<sup>34</sup>

### Challenges

A challenge for cable news media, as well as to the news media industry, is the public's opinion of the press. "Most Americans believe the news media are politically biased, that their stories are often inaccurate and that journalists do not care about the people they report on."<sup>35</sup>

This indictment of the news media can only degrade its usefulness to society and to prospective journalists. Most individuals trust and believe the news that they watch. It is mass news media that is distrusted.<sup>36</sup> These issues of mistrust must be addressed through aggressive outreach so the messages are not misunderstood.

Another challenge that the cable news media shares with the news media industry is that young people are moving away not just from television news to the Internet, but also from television in general.<sup>37</sup> While this statement appears more appropriate for broadcast news, the cable news industry has been and will continue to be challenged as younger generations expand their use of other mediums to receive their news.

## **Outlook**

The Federal Communications Commission (FCC) and Congress regulate the Cable News Media segment through their regulatory actions.<sup>38</sup> The US 70/70 law is the major legislation affecting the cable news industry. It states, that when cable systems with more than 36 channels are available to and subscribed to by 70 percent of households within the United States, the FCC may promulgate additional rules to provide diversity of information sources within the cable industry. This could potentially open the industry to à la carte programming, a corresponding decrease in channel availability and/or increased subscription costs.<sup>39</sup> The increased subscription costs could have a negative impact on cable television's bottom line, as the majority of its revenues come from subscription fees and higher subscription costs could decrease the overall number of subscribers.

According to "The State of the News Media 2008" report, "cable news clearly focused more on national security issues than both the nightly broadcast networks and the internet."<sup>40</sup> These statistics indicate that audiences of the cable news medium are tuning in and are interested in national security information. This is an opportunity for the cable news industry to help formulate the national security discussion and attract the niche audience interested in this topic.

## **News Radio**

### **Current Conditions**

While news sources other than radio news have proliferated since WWII, news radio continues to shape, define, and interpret our national security strategy. A 2006 Harris Interactive poll showed that during the course of a week 54% of adults listen to radio news broadcasts, 37% listen to talk radio stations, and 19% listen to satellite news programming.<sup>41</sup> While the decline in radio listeners has been gradual over the past ten years (2% reduction<sup>42</sup>), compared to the sharp decline in television viewers (45% reduction<sup>43</sup>) and newspaper subscribers (23% reduction<sup>44</sup>), the industry has been one of the most stable among the traditional media. A benefit of industry consolidation is that a larger corporation can provide revenue and expense balancing and can offset dips in the industry through diversification. Technology is also changing and redefining traditional news radio by offering multiple formats for news radio that include podcasts, HD radio, internet radio, satellite and cell phone feeds. Not surprisingly, audiences are beginning to fragment, and the overall industry revenue is beginning to slip. According to the Radio Advertising Bureau, the overall radio industry total revenue for 2007 was \$21.3B, a 2% fall from 2006.

## Challenges

One of the most significant challenges to the industry is the advent of podcasts. The morning commute is no longer filled by real-time radio broadcasts. Commuters can download a previous radio or television program and listen to it at their leisure. While the impact to the industry is uncertain, there is little doubt that podcasts have drawn some listeners away.

Satellite radio is growing in influence and market share, and is also beginning to squeeze traditional radio segments. The viability of the satellite radio segment remains a subject of debate as the merger of XM and Sirius progresses. Independently, XM and Sirius continued to lose money in 2007 at a decreasing rate. In 2007, XM revenue was up 22% (to \$1.1 billion) and subscriptions up 19% (to over 9 million) while the company overall had a net loss of \$239 million.<sup>45</sup> Sirius revenue was up 45% (to \$922 million) and subscriptions were up 38% (to over 8 million) while the company had a net loss of \$565 million.<sup>46</sup> However, each company would point out that 2007 was a vast improvement over the previous year, as XM's net loss improved 15% and Sirius' net loss improved 49%. Shareholders were not as impressed with these results; XM shares dropped 10% in the first quarter 2008 and Sirius shares dropped 5%.

Another variable in the news radio industry is the issue regarding public radio and traditional news radio. National Public Radio (NPR) is one of the few players in the industry that has dramatically increased its listener base in the past ten years. The number of NPR listeners has grown from 2 million in the 1980's to over 30 million today.<sup>47</sup> In 2006, NPR received over \$200M in contributions from individual listeners through its 680 local affiliates. Although NPR receives less than 1% of its budget from the Corporation for Public Broadcasting (CPB), which is funded by Congress, affiliate stations that broadcast NPR receive about 15% of their budget from the CPB. As other news radio outlets cut staff and expenses, NPR has expanded its news programming by adding reporters, and correspondents, and it now gathers and produces content from 36 locations around the world.<sup>48</sup> The question remains whether the public radio model will eventually prevail over the traditional news radio model.

## Outlook

While news radio is one of the oldest traditional news media industries, it has survived and prospered during periods of disruptive technological advances. The dependence on automobiles and commuting will ensure a solid performance for the industry, though it is still unclear whether downloadable content played through portable media players will continue to erode its audience. Anecdotal evidence of overall industry strength can be found at the Tribune Company. Chairman Sam Zell recently replaced his top staff at Tribune Co. with radio executives from Clear Channel Communications. According to Lee Abrams, one of the newly appointed executives from Clear Channel, "experience in radio is helpful for media facing new competition as radio was written off as dead as TV became more popular in the 1940s and '50s, but it reinvented itself then, and it continues to prosper."<sup>49</sup>

## Online News

### Current Conditions

Many news media companies are positioning themselves for the future through an increased emphasis on online news and are investing additional resources to creating and enhance multi-media web sites. The growth in U.S. high speed internet connectivity has increased both the demand and supply for online news content. Video over the internet is significantly popular and forges a natural link between broadcast and online news media. "Undoubtedly, the Internet is fast

emerging as a dominant sales channel.”<sup>50</sup> In the three largest advertising markets – U.S., Japan and the U.K. – consumers now spend 21.9% of their media time online.<sup>51</sup> “Media industries have made their content more attractive to users over time, a supply side development no doubt driven in part by a demand side phenomenon; more users have the broadband connections that make richer online content easier to deliver.”<sup>52</sup> “News videos appear at the top of most-watched lists in several studies. Thirty-seven percent of adult internet users report having watched online video news.”<sup>53</sup> Trends indicate that online news viewership will continue to grow due to increased user connectivity, advances in mobile technology, technology-savvy youth, the ability of online news to deliver news on demand, the rise of citizen journalism, and the international reach of online news web sites. Higher levels of network speed and connectivity has also expanded the domestic and international reach of online news sources. This means that news-seeking readers in countries where press is restricted can often find online news not available through state-approved media sources.

The need for online news to provide real-time updates on breaking news stories is a key market trend. A compelling feature of internet news sites is the speed with which they can produce and deliver news. Web users do not have to wait for the radio news on the hour or the television news. Being first with the news is much more of an advantage now than it ever was in the heyday of the printed tabloids.<sup>54</sup> Reporters have had to adjust to this trend by checking and producing news stories throughout the news day and producing and editing video to accompany their stories.

## Challenges

The internet’s impact on the news media industry has been fundamental. The classic newspaper business model of revenue generation based on advertising and subscriptions is under substantial pressure. New online business models have not yet been clearly defined and established as significant sources of revenue. In 2002, only 1% of newspaper revenue was generated from online sources.<sup>55</sup> The development of specialized, searchable online classified advertising markets, particularly in the areas of auto sales and employment, is putting particular pressure on the newspaper industry’s classified revenues. However, as a considerable portion of adult newspaper readers continue to migrate online, these web sites will represent an increasingly important source of industry revenue and profits.

From a revenue generating perspective, the internet provides tremendous advantages. It is: low cost to operate; sensory rich (combines audio, visual, text); interactive (integrates opinion polls, on-line ordering, customer feedback); traceable; adaptable; and offers targeting potential. No other form of media contains all of these attributes. A Price Waterhouse Cooper study reports that *total* U.S. internet advertising revenues generated \$21.1 billion in 2007, a 25% increase from 2006.<sup>56</sup> Additionally, online *newspaper* advertising is also growing approximately 30% per year while print newspaper advertising revenue declined in 2006. Online newspaper advertising revenue grew to \$2.7 billion in 2006, a 31% increase over 2005.<sup>57</sup> In a 21st Century Communications Industry Forecast, Veronis Stevenson predicted that by 2011, U.S. internet advertising revenue could reach \$61.98 billion, surpassing newspapers as the U.S.’s leading advertising medium.<sup>58</sup>

While internet advertising is growing, it makes up only 4.6% (\$12.5 billion) of the total amount spent on U.S. advertising.<sup>59</sup> A fundamental problem remains: online news media revenue is *relatively* minute. “Revenue from media companies’ digital operations is still just a fraction of total gross revenues. Newspaper online revenues account for roughly 3% to 8% of total dollars,

and television and radio sites bring in even less, from 1.5% to 3.5% on average.”<sup>60</sup> It is uncertain whether or not online advertising will ever be strong enough to significantly support traditional news media companies. The Project for Excellence in Journalism states, “the economics of the Internet are still new and still being sorted out, but for now and the foreseeable future the news industry is still betting on advertising revenue as its basis. In 2007, online ad revenue continued to grow, but for the first time fell short of analyst expectations.”<sup>61</sup> Media companies have continued to stay profitable based on lucrative, but declining, print and broadcast advertising. To remain profitable, news media companies have had to close expensive foreign news bureaus. These cuts have reduced the breadth and depth of news coverage, a trend that ultimately impacts online news industry content, which is heavily dependent on traditional news source reporting for its content.

As print and broadcast revenue streams continue to decline, a profitable online business model must be established. Advertising revenue and how it is shared among content providers and content distributors will be important factors in the success of the online news industry. Internet portal sites have been the early winners. “In 2006, the top four sites - Google, Yahoo, AOL and MSN - accounted for 85% of all online ad dollars.”<sup>62</sup> None of these portal sites produce their own news content. All rely on links to mainstream media reporting, which pays the high costs of content generation.

## **Outlook**

Many of the world’s citizens have made the shift to online news. Rapidly posting content and accessibility are key factors of online news. “The winners in this new media age will be those who can distribute more copies of popular content in the first half hour and who can target their content. The losers will be those who try to own it, restrict viewers and charge per download.”<sup>63</sup> Which news media companies prosper depends on how they can maintain product quality and profitability as they adapt to the change. Those that are first to move and capture faithful online readers will be best positioned in the news media industry.

## **Industry Issues**

### **Blogging**

The interactive nature of the internet allows users to express their opinions and share their knowledge with the rest of the world through the use of blogs.<sup>64</sup> This is possible with the advent of Web 2.0, or second generation Web, which allows users to post videos, write a blog, review products, or engage in social networking.<sup>65</sup> A spring 2007 survey noted that the number of blogs doubled every 320 days and that more than 70 million blogs were produced worldwide. In the U.S., approximately 12 million Americans have taken advantage of the internet and chose to maintain a blog of some sort.<sup>66</sup> Despite the proliferation of blogs, most Americans are still not turning to blogs to get their news.<sup>67</sup> The downside to blogging is that there is the potential for authors to manipulate opinions and misrepresent facts. However, there is a widely held belief that the blogosphere is self-correcting and that false information will be eradicated and replaced with the truth. Over the past several years, bloggers have been able to make positive contributions to the news media, especially during natural and man-made disasters. For example, ordinary individuals were able to report what they experienced during the Asian tsunami, Hurricane Katrina, the London subway bombing, and most recently the events in Tibet more quickly than traditional media.<sup>68</sup>

## **Citizen Journalism**

“Citizen journalism,” also known as participatory journalism, refers to “citizens who play an active role in the process of collecting, reporting, analyzing and disseminating information.”<sup>69</sup> This new category of scribes has engendered provocative and often heated debate among traditional print media mavens regarding their legitimacy, reliability and relevance in today’s expanding media universe. The new citizen journalists are repudiated by many editors and established journalists as arrivistes, or “pajama-clad bloggers.”<sup>70</sup> Not only are they seen as a threat to old school journalism, but their reputation as unskilled and unsophisticated hacks, capable of veering toward “gonzo journalism,” has taken hold among media professionals.

Dismissing such negative stereotypes, citizen journalists see themselves as enriching the national and global dialogue via interactive websites and portals, and focusing needed attention on underreported or ignored subjects. They see their “grain of sand” as adding to the collective citizenry’s knowledge base and more importantly, to a wider dialogue, which is in turn constantly scrutinized and open to question by other citizen journalists.

Citizen journalists may wield more power than originally thought, especially within societies that restrict the freedom of the press. The reports these amateurs generate are often the only windows afforded to those following events from afar. China’s recent crackdown on bloggers and citizen journalists on the eve of the Olympics has not silenced the communities – reports slip out of the security net, cloaked under different electronic guises. Raul Castro’s recent loosening of restrictions regarding the ownership of cell phones, computers and other electronic items in Cuba may spur heightened levels of exchange that could eventually open the door to political change.<sup>71</sup>

Citizen journalism is still in its infancy. It has immense possibility but needs to mature into a medium that examines issues in a non traditional, yet reliable and consistently professional manner. For it to rise above the level of localized background chatter, participatory journalism must continue to look beyond the issues that the mainstream press already covers, but it must also cover issues of relevance for a more or less mainstream public, or else risk obscurity in niche cyber cliques.

## **Other News Industry Business Models**

**Public News Media:** While traditional news media outlets are scrambling to find their way in a landscape clouded by free content, several models are showing signs of stability, and in some cases, growth. Public broadcasting has been playing a critical role in educating and informing our population for years. The small amount of federal tax dollars that supports this effort is miniscule compared with the contributions public broadcasting makes to our society. Like the British Broadcasting Corporation (BBC), support for public broadcasting in the U.S. has grown. The reason for this growth is public broadcasting’s ability to focus on its core mission and provide content in meaningful segments unaffected by the need to insert advertising. The issue still to be resolved is whether a pay-as-you-go model, free from advertising, can survive in the media environment. If not, and journalism continues to decline, the issue will become whether the U.S. government will support and expand public broadcasting to BBC levels.

**Local News:** Another news media industry segment that is strengthening is local news. Leveraging the “all news is local” tenet, local newspapers, websites and magazines are striving to provide relevant, community based content while providing a dose of national and international news through the major wire services.

Corporate Media: National and international newspapers are showing signs of stability. Only three major newspapers grew in circulation in 2007 – USA Today, The Wall Street Journal, and the Financial Times. Advertising revenue grew at both USA Today and Financial Times. While growth was minimal, the trend shows that a news media outlet that can leverage both international advertising and audience may be better positioned to weather difficult periods. While industry concentration is currently assessed as low, there are considerable pressures that present significant opportunity for greater consolidation. Higher costs of production, increasing competition from cable television and “new media” sources, decreasing readership, a greater demand for entertainment or “soft news”, and ever ever-increasing pressure for earnings growth from shareholders are forcing newspapers and news rooms to create greater efficiencies. Mergers and acquisitions are on the rise and are expected to continue. Multi-media conglomerates such as News Corp, Time Warner, Disney, Gannett and the Tribune continue to purchase more and more “local” newspapers. Besides USATODAY, which has a daily circulation of 2.3 million readers in 60 countries, Gannett publishes 85 daily newspapers, 1000 non-dailies, and approximately 300 newspapers in the United Kingdom.<sup>72</sup> While there are approximately 8,500 newspaper businesses in the U.S. with more than 9,000 newspapers, the top eight “newspaper” companies account for more than 44% of industry revenue and 40% of newspaper market share.<sup>73</sup>

The Soul of the City: In an industry where the top-line is dominated by advertising revenue, it is not surprising to find significant industry segments dominated by “local” newspapers, many owned by the large conglomerates. With nearly 80% of revenue generated from advertising, the newspaper market is principally composed of “local” papers, individual consumers and businesses in local markets.<sup>74</sup>

“A Public Trust with Private Ownership?”:<sup>75</sup> Privately owned entities are not a new model for American news media. They may, however, become increasingly important to the small, local newspaper. Many successful families have run American newspapers over the years. To encourage strong journalism and an independent, locally focused media, newspaper owners have endowed schools, financed not for profit foundations and encouraged employee ownerships and trusts.<sup>76</sup> Owners apply old and new business models aimed to keep their news organizations independent, provide local and reporting news that matters to the community, and generate reasonable profits. While some of these efforts have not borne fruit, others have survived for decades. Several have become leaders; such as the New London Day, the St. Petersburg Times, the Manchester Union Leader, the Anniston Star, and the Tupelo Northeast Mississippi Daily Journal.<sup>77</sup> These organizations may be the models for the successful, local newspapers of the future. They take pride in service to their communities, take measures to protect their journalistic independence and are able to prioritize news and community service over share valuation and revenue growth.

Going Online: The Project for Excellence in Journalism states that “the economics of the Internet are still new and still being sorted out.”<sup>78</sup> To remain profitable news media companies continue to search for ways to increase revenues from online sources. News organizations are considering or initiating a variety of solutions, including consolidating staff and experimenting with access to online content.<sup>79</sup> Experimentation with new online business models abounds. MSNBC is a joint venture between Microsoft, NBC, the New York Times, Newsweek, and the Washington Post. In classified advertising, Monster.com has struck deals with 60 newspapers to provide job search services. Some major newspapers like the New York Times, The Economist and the Financial Times are experimenting with paid access and tiered services for their online content. “For \$299 a year, premium subscribers have news and financial data delivered to their

cell phones or PDAs.”<sup>80</sup> However, according to Borrell Associates, the traditional business model for advertising revenue remains much more attractive. “The hybrid model has some potential, but in the long run, the advertising side will dominate.”<sup>81</sup> For the time being, advertising revenue and how that revenue is shared will remain critical factors.

Still taking shape is just how big the online news advertising revenue pie will be and how online news marketing departments will convince potential advertisers of online advertising value. However, methods for assessing online usage have yielded highly varied results. Until an industry standard for advertising measurement is accepted, there will continue to be uncertainty regarding online advertising effectiveness. “For some advertisers, the uncertainty of gauging Web traffic may be behind a slowdown in the growth rate of online advertising; from 36% in 2006 to 26% in 2007. When it comes to accurately measuring traffic, the stakes for web site operators and advertisers are high.

### **Newspaper/Broadcast Cross-Ownership**

In December 2007, the FCC issued a ruling relaxing media cross-ownership. The ruling reversed a 32 year prohibition on ownership by broadcast companies of local newspapers. Though the FCC has no responsibility over newspapers, Chairman Kevin Martin justified the decision as a means to help revitalize the industry. The ruling was the latest development in the long-running controversy over the best method to preserve a diversity of voices – by allowing the industry to prosper by realizing the efficiencies of scale possible through consolidation, or by limiting consolidation to prevent any single source from controlling the flow of information. Proponents in favor of lifting the ban argue that by permitting newspapers and television or radio stations to share resources, local news markets will benefit from more robust reporting. According to John Sturm, President of the Newspaper Association of America, an increasing number of television stations are giving up local news. He argues that permitting cross-ownership will reverse that trend.<sup>82</sup> According to Sturm, “a 2002 FCC study concluded that newspaper-owned TV stations provided an average of 50 percent more hours of news and information programming per week, and substantially outperformed other stations in news ratings and awards.”<sup>83</sup>

Opponents argue the contrary, that cross-ownership reduces the amount of news available. Citizens’ groups such as the Consumer’s Union, Media Access Project, and other grass-roots organizations contend that since the passing of the 1996 Telecommunications Act the consolidation in television and radio has severely reduced local content in broadcast. According to Commissioner Jonathan Adelstein, the same FCC study that shows that cross-ownership may increase the amount of news from the specific outlet also indicates that “overall levels of news in that market actually diminishes because other outlets...reduce their news by more than the new conglomerate increases it.”<sup>84</sup> Consolidation also jeopardizes minority and female representation within the media. Minorities and women are underrepresented amongst media owners. While minorities make up 13% of the American population, they own only 3% of the media outlets.<sup>85</sup> Minority-owned media frequently are in the weakest financial condition in a particular market, which makes them prime targets for take-over.<sup>86</sup> The Reverend Jesse Jackson expressed concern that media consolidation and low levels of minority ownership have “caused a crisis in covering issues important to minorities.”<sup>87</sup> Senator John Kerry points to FCC data that “indicates that the primary factors influencing female and minority broadcast ownership are media market concentration, access to capital and equity and access to deals.”<sup>88</sup>



The explosion of new media sources offers greater choice and more information about a wider range of subjects than ever before. As other industries have discovered, consolidation provides the efficiencies that strengthen the corporate balance sheet. The drawback is that it often results in a more homogenized product as larger corporations attempt to appeal to a wider audience. Additionally, a sole news source can threaten the free flow of information and opinions so critical to our democracy. Yet media executives have found that local content is essential to a successful newspaper or broadcaster. The challenge lies in determining whether or how regulation is necessary in reconciling these two opposing forces, particularly in an industry so essential to our national interest. New technology may provide the answer by enabling a national chain or regional newspaper to target local audiences with news and advertising relevant to them, while achieving the economies of scale that make news gathering and distribution more affordable.

### **Maintaining Journalistic Principles**

Journalists are facing a change. The once newspaper-dominated media environment is evolving into something more sophisticated, flexible, and responsive to its readers, viewers, and listeners. As news content is gathered and delivered using more web-based platforms, the question of who is a journalist demands an answer.

Journalists currently have no certification process or organized disciplinary body, which leads to low barriers of entry into the profession. One can be a journalist without the benefit of a degree or formal education. An approach to building credibility for those engaged in the expanding profession of journalism is to establish a common set of values throughout the professional and citizen journalism community. Journalists are like the players in a professional sports league. They have to produce content that meets or exceeds expectations, regardless of what medium they use. In order to meet the ever growing demand for quality information across all the desired platforms, the journalistic community must find a way to identify its quality players.

Journalists agree that in some cases they must be able to protect a source's identity from public disclosure in order to obtain critical and often embarrassing information. Although many states have enacted so-called *shield* laws to provide this protection to journalists, there exists no federal constitutional or statutory protection.

It is recommended that an industry group be created with representation from the traditional print and broadcast population, educators and professional media groups, as well as the new citizen media community. This group will bring together the affiliated and the independent journalist, and local and international correspondents, and should strive to create a common set of governing principles.

### **Government and Freedom of the Press**

By stipulating that "Congress shall make no law abridging the freedom of the press", the framers made clear their belief that the press served a critical role in informing the public and that this role was foundational to democratic values. However, this principle, as with many of the other fundamental tenets and supplemental amendments, often finds itself in conflict with other Constitutional precepts. As such, there is continual tension between competing interests. Both Congress and the Executive Branch introduce legislation aimed at serving the public interest, often requiring the Courts to weigh one public good against another to determine legitimacy or primacy. Freedom of the press often comes into direct conflict with U.S. governmental

requirements for control of classified information. The relationship of these tenets to one another is subject to judicial interpretation, historical context and public debate.

As previously stated, “the greatest threat to liberty,” warned the nation’s Founding Fathers, “comes not from abroad, but from within, and advances slowly, under cover of secrecy.”<sup>89</sup> With this in mind, the press seeks to exercise its Constitutionally-mandated freedom, seeking broad access to information on the activities and workings of government to keep the citizenry informed and to serve as a watchdog for government misbehavior. The media are a significant independent source of oversight and the primary conduit through which national security information and decisions are conveyed to the public. National security decision-makers desire to control the flow of information to the press in order to prevent unauthorized disclosures that may negatively impact ongoing activities. Their legitimate thirst for secrecy may overwhelm the instinct for good government.<sup>90</sup> In such cases, pressure from the media serves as an external force counterbalancing these instincts.

Government’s implementation of information controls in the national and homeland security realms must evolve. The old practices of restricting information flows based on *need to know* principles will not serve the best interests of the nation, as evidenced by the findings of both the 9/11 and WMD Commissions. Liberal information sharing promotes debate, invites the introduction of new ideas and perspectives, and produces a superior outcome. Officials with authority to classify national security information need a new *litmus test* whereby they consider whether disclosing or failing to disclose may cause the greatest harm to national security.<sup>91</sup> The new ethos must focus on how U.S. government national security entities can share their information with the broadest segments that may need it, while protecting the *real secrets*.

### International Overview

The products of news media are reflections of the culture and traditions of their local and national environments, which lead to different practices among journalists and varied expectations from target audiences. What constitutes good journalistic practices in the United States may not, for example, meet the expectations of a Turkish reader. Comparisons of different press practices reveal some universal concepts, as well as a few stark contrasts. While journalists throughout the world practice their craft with a diverse range of styles, training, and freedom, most endeavor to report the news with objectivity and in a way that best informs the citizenry. Common throughout the global news media industry is the constant struggle to develop appropriate business models to support a newspaper, broadcast medium, or new media. Among the elements that dictate the employment of a particular business model are government laws and regulations, the size, scope and source of available revenues, and the target population’s preferences toward various news media sources. Because each nation has unique laws and traditions, journalists operate under a variety of constraints that may inhibit complete freedom of the press. In addition, government funding of the news media may exist either through tradition, as in the case of the BBC, or because of limited advertising revenues in the United Arab Emirates (U.A.E). Regardless of business model or government regulation, quality news media can thrive if those who gather and report the news adhere to the professional virtues of accuracy and objectivity. The following section provides a perspective gained through extensive exposure to the news media industry in Istanbul, Turkey, Dubai and Abu Dhabi in the U.A.E., London, England, and the U.S.

## **News Versus Opinion**

The definition of news becomes a relative concept when viewed through an international lens. In the U.S. and England, reporting of news is predicated on facts and objectivity and, in most cases, is segregated from editorial commentary. There are some outlets in these markets that interpret news and advocate specific positions on issues, but the majority of the industry reflects consumer desires to be exposed to the facts on events at the local, state and national level. The news in Turkey integrates news and opinion into a single reporting style that attempts to interpret events while also reporting the facts. This blending of factual reporting and opinion is a direct reflection of the Turkish news consumer's desire: that the columnist's opinion adds context or the "so what" element to a news event. While the literacy rate in Turkey is close to 90%, most Turks prefer to get their news from television. The average Turkish citizen watches over 5 hours of television every day.<sup>92</sup>

The variety of newspapers and broadcast networks span the spectrum from the secular left to the conservative, Islamic right, which gives Turks a "diversity of perspective" that is touted by professional journalists from *Hurriyet* and *The Turkish Daily*. No journalistic tradition has been established yet in the developing U.A.E. media market, although news professionals from Arab and Western countries are plying their crafts in the Dubai Media Free Zones. Hopefully, the heightened level of exchange will foster western media practices.

## **Freedom of the Press**

Those who deliver the news in the United States benefit from First Amendment protections. Those in the news business in other countries face formidable challenges due to statutory or cultural frameworks that impose restraints on free expression. For example, Article 301 of the Turkish Penal Code prohibits "public denigration" of "Turkishness", the Turkish Republic, the Grand National Assembly, its judicial institutions, or its military and security structures. This article has been used in hundreds of prosecutions since 2005, and has been the subject of significant criticism by organizations such as Amnesty International and Freedom House. Although the news media have adapted their practices to account for this censorship law, it appears that the Turkish government will have to revoke or significantly amend this statutory provision in order to gain Turkey's admission to the European Union.

Likewise, U.A.E. recently exhibited recognition of a free press as a necessary attribute of a developed nation when the Prime Minister issued a directive decriminalizing press offenses. Through its creation of media free zones, the U.A.E. has attracted powerhouse news organizations such as the BBC World, CNN, and Reuters. A reliable barometer concerning whether the U.A.E. is serious about press freedom will be whether the U.A.E. government eventually allows reporting critical of either the U.A.E. or other Middle East regimes and begins to report on national security issues of significance. Another possible measure of will be whether the national English and Arabic language newspapers are able to report on issues relating to the phenomenal growth of Dubai and Abu Dhabi in ways that might embarrass corporate or government leaders.

## **Human Interest**

A common characteristic of journalism around the world is a focus on the human interest side of local news. Journalism, like politics, is largely local as it satisfies the innately human desire to understand the events that impact them personally. In the U.S., truly local newspapers are one of the few segments in the industry that are relatively stable. This is not only a function of the

universal desire to understand one's environment, but it is also one of economics. As news outlets leverage large news generators like the Associated Press and Reuters, the only distinguishing characteristic of media outlets is local coverage.

### **Business Models**

The business models utilized throughout the international news media industries covers the spectrum from government controlled media markets to the dramatically competitive, capitalistic media markets. The U.S. and English models are based solely on advertising and subscription revenues and are some of the most competitive markets in the world. These two markets have advanced regulatory laws and agencies and facilitated a diversity of voices and opinions while allowing market conditions to prevail. Significant mergers and consolidation are noteworthy features in these competitive environments. The Turkish news media is controlled by a few large media conglomerates that are diversified into other industries including construction, travel and automotive sales. Families control vast media empires within Turkey and control over 60% of the \$2.5B media industry. The ability to diversify in other industries provides these barons with a stable business model and significant influence in the country. This close associating with the nations leadership and elites offer both positive and negative influences for an objective, free press. Another notable aspect of the Turkish business model is the absence of newspaper subscriptions. Newspapers in Turkey are sold over the counter or handed out for free on city streets. Sabah is a Turkish newspaper with a circulation of over 400,000 daily papers of which only 20,000 are believed to be paid subscriptions. Competitive market forces are not at work in all segments of the Turkish newspaper industry.

The news media business model in the U.A.E. has been based on government sponsored media outlets and is a function of its type of government. The U.A.E is a federation with specified powers delegated to the U.A.E. federal government and other powers reserved to member emirates. As a result of ten years of significant economic growth, the news media industry in the U.A.E. is evolving. While the presence of government sponsorship will remain in the long-run, several government initiatives are driving a freer and open press. Media City Free Zones in Dubai are boosting U.A.E's international media presence and will likely enhance the overall state of the U.A.E. news media industry. In addition, the 2008 launch of a new English language newspaper, *The National*, promises to deliver news and editorial commentary consistent with western journalistic practices. While these promising U.A.E. government initiatives are intended to spur economic growth and provide additional credibility to efforts of the U.A.E. to serve as a cultural, educational, and information leader in the Middle East, it is too early to predict whether the U.A.E. news media will establish itself as a true fourth estate capable of driving government accountability and transparency, much less serve as an agent for social change.

### **Globalization of News**

The final point on the assessment of the international news media is that it has now become effectively impossible for even the most oppressive of regimes to restrict the information that flows into or out from its national boundaries. Satellite and digital technology, global networks of news gatherers, and citizen journalists combine to make more news available to more people every day, everywhere. Even in a country with a weak news media tradition such as the U.A.E., citizens and expatriates can avail themselves of a media rich environment, to include newspapers that are largely put together based on wire service reports from around the world.

This globalization of news media has significant implications for U.S. policy makers. Satellites allow people around the world to watch news, as it occurs, in the U.S. Just as economic and fiscal policies cannot be considered purely domestic, neither can policies concerning democratic principles, the rule of law, or human rights issues. In a global news environment, our national leaders must consider the effects of their actions and words, and must be prepared for immediate criticism and response from global audiences.

## **Essays on Major Issues**

### **Public Diplomacy and Smith-Mundt Jon Guden, COL, US Army**

The Smith-Mundt Act (hereafter “Smith-Mundt” or “Act”) is the popular name given to the United States Information and Educational Exchange Act of 1948, which gives the Secretary of State authority “to provide for the preparation, and dissemination abroad, of information about the United States, its people, and its policies, through press, publications, radio, motion pictures, and other information media, and through information centers and instructors abroad.”<sup>93</sup> Congress’s stated purpose for passing the Act was “[t]o promote the better understanding of the United States in other countries, and to increase mutual understanding between the people of the United States and the people of other countries.”<sup>94</sup>

Today, seven separate broadcasting organizations operate under the helm of the Broadcasting Board of Governors (BBG), the independent federal agency responsible for all U.S. government and government sponsored, non-military, international broadcasting.<sup>95</sup> Under this current construct the tools of public diplomacy operate with a budget of approximately \$1 billion, with the BBG broadcasters receiving nearly \$650 million to reach over 155 million listeners, viewers, and internet users on a weekly basis.<sup>96</sup>

One aspect of Smith-Mundt that has drawn significant criticism over the years has been the limits placed on access to and dissemination of the agency’s information products within the United States. The provisions make the materials prepared under the Act’s authorities available “for examination only” by the media, Congress, and scholars, and authorize distribution 12 years after the products are disseminated overseas. Some of the problems with the viability of Smith-Mundt have been known for more than 20 years. Satellite and internet technology has moved communications from a domestic and local audience to a global audience, making “it impossible to convey something to one audience that will not be consumed by another.”<sup>97</sup> In addition, the dissemination proscriptions based on the perceived need to protect the American people from government propaganda are not terribly germane to an American public that sees propaganda on a daily basis. This point has been articulated well by a respected journalist who opposes the access and dissemination ban:

Government press releases, speeches, briefings, tours of military facilities, publications are all propaganda of sorts. Propaganda is just information to support a viewpoint, and the beauty of a democracy is that it enables you to hear or read every viewpoint and then make up your own mind on an issue.<sup>98</sup>

The Act’s dissemination and distribution provisions should be revised based on 21<sup>st</sup> century realities. Congress should amend the relevant provisions as follows (added language in *italics*):

22 U.S.C. 1461(a) The secretary is authorized, when he finds it appropriate, to provide for the preparation, and dissemination abroad, of information about

the United States, its people, and its policies, through press, publications, radio, motion pictures, and other information media *to include the internet*, and through information centers and instructors abroad. *All such information must include a clear notification within the text or audio of the information product that it was prepared or funded by the agency. Any such information produced under this section shall be made available consistent with the Freedom of Information Act (5 USC § 552) and subsection (b) of this section.*

(b) Dissemination of information within United States

(1) The Secretary of State shall make available to the Archivist of the United States, for domestic distribution, motion pictures, films, videotapes, and other electronic media prepared for dissemination abroad within *six months* after dissemination of the material abroad.

This amendment is consistent with the notion that the recipient of information is adequately protected if he knows who produced the information. In addition, this amendment would eliminate the traditional approach of allowing a select portion of the population to only examine the material, a practice that predated this country's Freedom of Information Act. The amendment would make access to these information materials consistent with the Freedom of Information Act, under which the status of the requester is irrelevant. Finally, the amendment would provide for the distribution of products at the 6 month mark, rather than 12 year mark. Such a move would obviate the need for Congressional action to authorize distribution, and would get the information into the public while it was still timely, relevant, and subject to useful constructive criticism that could lead to improved public diplomacy efforts.

In addition, Congress should revoke the Act's ban on distribution of program material within the United States contained in Section 1461-1a. Congress does not need this provision to exercise a degree of control over the public diplomacy effort. Legislators may hold hearings and debate the accuracy, value, or purpose of the information that is produced and disseminated with appropriated funds. If change is deemed necessary, Congress can achieve a desired outcome through appropriations acts or by crafting legislation appropriate to 21<sup>st</sup> century public diplomacy and technology.

Americans would become better informed if Congress authorized BBG broadcasts on domestic cable or satellite stations. Of note on this point, Section 502 of the original Act provided Congress' sense that the Government was to decrease information activities when private activities were deemed to be adequate. A debate on this issue on Capitol Hill would allow Congress to determine whether BBG broadcasting fills a void, while also addressing concerns that commercial broadcasters may have with competition from government broadcasters. Since Congress still sees the need for specialized broadcasting to speak to foreign audiences, Americans should be able to see and listen to the messages that our broadcasters send to foreign audiences using appropriated funds.<sup>99</sup> In the end, making the information and programs of our public diplomacy bureaucracy more available to the American public is in keeping with American traditions, will result in a more informed Congress and news media, and lead to more credible public diplomacy.

**Trust of the News Media**  
**Martin Binder, COL, US Army**

An impartial and unbiased media is essential to a functioning democracy. From America's inception through the 1960s, trust in the news media generally paralleled other traditional

institutions such as government and industry. Most researchers view the early 1970s, however, as the high water mark of the American public's trust in the media.<sup>100</sup> During this decade, the American public's perception of and trust in the news media began its steady decline. A recent Gallup poll shows that trust in the media further dropped from 54% in mid-1989 and is currently at 36%.<sup>101</sup> At the same time, the definition of news media and the way Americans received the news began to change.

With a 24-hour news cycle, the collective news media can hardly ensure accuracy whilst operating at such a pace. Newspapers employed editors to fact-check, and ombudsmen to explain and apologize for errors; using a flattened organizational structure, current news media typically provide an update to the earlier report with neither explanation nor apology. This further underlines the erosion and decrease in legitimacy of and trust in the news media in the eyes of the public.

The best way to counter skepticism or mistrust is through that cornerstone of good management - communication skills – to include vertical and horizontal communication. Three elementary touchstones in communication provide the best approach for the defense executive: (1) environmental scanning, (2) continued education, and (3) openness and transparency.

Environmental scanning allows the senior defense executive to ascertain how and where his employees, peers, and superiors obtain information. He must determine his own sources of the news media (and the subsequent biases) and then compare and contrast it with those around him.

While it is important to determine the best way of receiving and disseminating information based on various perceptions of the media, it is absolutely imperative to maintain open and transparent communications. While secrecy about such matters is the general rule in the federal government, an environmental scan allows the executive to first recognize that information will get out (possibly via local news medium he mistrusts), and then develop a strategy to get the truth out to what may be a geographically-dispersed workforce.<sup>102</sup>

The way the public receives the news has changed at an unprecedented pace since the 1970s. Parallel to this process has been an evolving definition of what constitutes "news media." Delivery modes, monopolistic ownerships, and the 24 hour news cycle have all contributed to this mistrust of an ever-changing definition of news media. Public mistrust of the news media and of institutions in general has significantly and steadily declined in the past three decades. The defense executive must be aware of this mistrust, especially among his employees. He must embrace this unpredictable and demanding environment and develop strategies to address it. By doing so, will be able to maintain the trust of his peers and subordinates alike, thus ensuring a more productive work environment.

### **Strategic Communication Plan** **Carl Ey, LT COL, US Army**

In the age of globalization, media outlets have taken full advantage of the internet's speed and ability to proliferate their articles, opinions and published documents to the world. The news cycle has kept up with technology-based dissemination models, however, the Department of Defense (DoD) continues to languish in the 20<sup>th</sup> Century preferring the publication of a press release over the option of instant text messaging. Too often, DoD leaders are compelled to provide a statement to the media behind a podium and in front of a government-gray curtain, hoping that the statement is strong enough to convey DoD's strategic message to the public. DoD leaders want solid, comprehensive plans when dealing with the media. A strategic

communication plan must be developed with themes vetted across the services to ensure we can communicate from one perspective. With a sound strategic communication plan, military and civilian personnel will be able to properly respond to the toughest questions in challenging situations.

A solid strategic communication plan serves two purposes. First, it creates communication themes for not only the intended audience but also creates correct impressions of the U.S. to the implied audience. Second, a robust plan allows communicators a means to bridge back to overarching themes and messages when addressing challenging DoD situations. In developing its plan, DoD should include the following four principle actions: listen, tell the truth, don't punish the communicator, and employ multi-faceted means of communications.

DoD must give the benefit of the doubt to its leaders before it passes judgment and encourage all types of communications with the media. Editors, reporters, think tanks, and talking heads all have the right to use DoD communications in any way they see fit when it is in the public domain. Yet, if a quote or a sound bite is used without proper background, DoD is quick to reprimand or judge the attributed party. Careers must be judged on achievements and not on what appears in the media. Current culture avoids risky behavior such as talking to the media and this must change.

DoD has to reinvent its culture to use new venues. Press-releases and ribbon-cutting ceremonies are not the only way to engage the main-stream media. Our military and civil servants need more blogosphere presence – blogs authored by the Secretary of Defense or the Services senior enlisted advisors are in order. News programs, such as Meet the Press, should be last on the list of public appearances for DoD leaders replaced with Oprah, Ellen, the Colbert Report and the Tonight Show. Daily, DoD is endeavoring to spread American good will across the globe. Medics in third-world countries are treating the ill, supply non-commissioned officers are providing food and water to desolate people, and Americans are providing safe environments for people of others culture. However, we are failing at capturing those scenes and presenting them on the world stage.

### **Media Information Centers (MICs)** **Stephanie Lopez, Department of Defense**

Currently, we are engaged in a battle of ideas that can be won with the help of the media. Some individuals would argue we are losing this battle of ideas because of the increasing pace and use of technology for information dissemination. The need for real-time information dissemination is critical to the success of U.S. initiatives; however, strategic messages have not adjusted to this new level of information exchange. In contrast, we spend an excessive amount of time vetting, validating, and seeking approval for use of information resulting in very cumbersome and restrictive release processes.

The 2006 National Security Strategy mandates information efforts to advance a common understanding and clarity to U.S. strategic security efforts. Through a range of information activities in both private and public areas, clarity and security can be achieved through a framework based on a modified coalition information center (CIC) construct called Media Information Centers (MICs). MICs will focus on an information strategy to integrate the media with various elements of information power in a heuristic approach.

Established by the White House in October 2001, the CICs were setup in Islamabad, London, and Washington, D.C. in an effort to deliver the pro-American message to the world media.<sup>103</sup>



From the beginning, these CICs missed a strategic advantage by focusing the war of information on the flow of press releases. Moreover, CICs took a top-down approach and did not take advantage of the news that was happening on the ground. Because CICs were viewed by many in other parts of the world as strictly propaganda centers, they lost their value for what they had hoped to achieve and were dissolved.

The U.S. Government in partnership with industry and media should lead the effort to establish MICs by being an enabler and creating an environment for a free and open exchange and expression of ideas. We could incentivize industry by offering tax breaks for their contributions. MICs should be organized by functions such as public service, digital data, community conversation, local content, custom content, and multimedia.<sup>104</sup> These information centers would be set up with topics that interest the local area and in their native language to include the method by which they access information.

America needs to lead the fight in the war of ideas, but we must not do it alone. We must strategically position ourselves to achieve our long term goals through a strategic communications campaign set out to improve the well-being of people and their nation-states throughout the world. Additionally, we must push for the open and free exchange of ideas throughout the world. Our goal should be to establish MICs in every global region and locate them in regions associated with the State Department's Transformational Diplomacy strategy. Our campaign should be executed globally, but implemented domestically within each country, targeting children, students and educational institutions. Most importantly, we must engage in developing a partnership where individuals discover for themselves the value of information.

### Conclusion

American national security has become ever more inextricably linked to the demonstration and defense of American principles. National and military strategies must include communication plans aimed at managing local and global perceptions. Managing perception requires positive and trustful relationships with the news media industry. The government's desire to control information in times of national crisis must be balanced against the people's right to know and the benefits of an informed citizenry. Effective public diplomacy and strategic communications can promote democratic values, but America must uphold its values in its actions and the way it communicates. The global struggle against violent Islamic extremism could be won through the discrediting of extremist ideas as we unwaveringly support representative government and individual, unalienable rights. American missteps, real or perceived, offer violent extremists the perfect conditions to exploit American hubris and hypocrisy. News and images stemming from the invasion of Iraq, the Abu Ghraib scandal, conditions at Guantanamo Bay, our nation's role in extraordinary rendition and our unclear approach to torture have done irreversible damage to U.S. legitimacy in the eyes of the moderate Islamic world. As long as American legitimacy, credibility, policies and actions are viewed as unprincipled or illegitimate by *moderate* Muslims, America will fail. In a global war against Islamic extremism, as well as in any future conflicts, legitimacy is an American imperative. Locked in a transnational struggle of ideas and an explosion in the availability of real time information, the U.S. must always be viewed as a reliable, credible and legitimate source of the truth.

## End Notes

- 
- <sup>1</sup> Charlotte Grimes. *Whither the Civic Journalism Bandwagon?* (Boston: John F Kennedy School of Government, Harvard University, 1999), 3.
- <sup>2</sup> Hamilton, Madison, Jay. *The Federalist Papers. The Declaration of Independence*. (New York: New American Library, 2003), 529.
- <sup>3</sup> Ibid., 532.
- <sup>4</sup> Ibid., 528.
- <sup>5</sup> Ibid., 314.
- <sup>6</sup> Alisdair Roberts. *Blacked Out: Government Secrecy in the Information Age*. (New York: Cambridge University Press, 2006), 160.
- <sup>7</sup> Leanord Downie, Jr. and Robert G. Kaiser. *The News about the News: American Journalism in Peril*. (New York: Vintage Books, 2003), 15.
- <sup>8</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism," *Journalism.org*. March 2008. <http://www.stateofthenewsmedia.org/2008>
- <sup>9</sup> Seth Sutel, "Newspaper Vendors Worry About Downturn," *Associated Press*, Washington: April 13, 2008. [http://biz.yahoo.com/ap/080413/newspaper\\_conference.html?.v=4](http://biz.yahoo.com/ap/080413/newspaper_conference.html?.v=4).
- <sup>10</sup> Eric Alterman, "Out Of Print: The Death and Life of the American Newspaper," p. 3.
- <sup>11</sup> Steve Pearlstein, "Newspaper Publishers Chasing the Wrong Story," *Washington Post*. Washington: April 16, 2008, p. D01. [http://www.washingtonpost.com/wp-dyn/content/article/2008/04/15/AR2008041503159.html?nav=rss\\_business](http://www.washingtonpost.com/wp-dyn/content/article/2008/04/15/AR2008041503159.html?nav=rss_business)
- <sup>12</sup> "American Media On the Brink." *The Economist*, May 3, 2008, 71.
- <sup>13</sup> Ibid.
- <sup>14</sup> Ibid.
- <sup>15</sup> Sutel, "Newspaper Vendors Worry About Downturn."
- <sup>16</sup> Jennifer Saba, "New Rules to Count On," *Editor & Publisher*. Vol. 140, Issue 12. (New York: Dec 2007), p. 37.
- <sup>17</sup> Joe Nocera, "Self-Made Philanthropists," *The New York Times* (New York: March 9, 2008). <http://www.nytimes.com/2008/03/09/magazine/09Sandlers-t.html?ref=magazine>

---

<sup>18</sup> Brian Stelter, "Citizen Huff," *The New York Times* (New York: March 31, 2008). [http://www.nytimes.com/2008/03/31/business/media/31huffington.html?\\_r=2&oref=slogin&pagewanted=print](http://www.nytimes.com/2008/03/31/business/media/31huffington.html?_r=2&oref=slogin&pagewanted=print)

<sup>19</sup> Alterman, "Out Of Print: The Death and Life of the American Newspaper," p. 4.

<sup>20</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>21</sup> Howard Kurtz, *Reality Show: Inside the Last Great Television News War* (New York: Free Press, 2007), xi.

<sup>22</sup> The Pew Research Center For the People & The Press. "The Web: Alarming, Appealing and a Challenge to Journalistic Values." *Project for Excellence in Journalism*. (March 17, 2008): 11.

<sup>23</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>24</sup> The Pew Research Center For the People & The Press. "The Web: Alarming, Appealing and a Challenge to Journalistic Values," 12-13.

<sup>25</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>26</sup> Marketing Charts. <http://www.marketingcharts.com/television/us-television-households-increase-13-for-2007-2008-season-1385/nielsen-us-tv-2007-2008-demographics.jpg/>

<sup>27</sup> Kurtz, *Reality Show: Inside the Last Great Television News War*, 434.

<sup>28</sup> CBS News Website. <http://www.cbsnews.com/stories/1999/08/20/60minutes/main59202.shtml>.

<sup>29</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> IBISWorld, "Cable Networks in the US," *IBIS World Industry Report*, [www.ibisworld.com](http://www.ibisworld.com): 8,9.

<sup>33</sup> Ibid., 12-14.

---

<sup>34</sup> Project for Excellence in Journalism, “State of the News Media 2008: An Annual Report on American Journalism”

<sup>35</sup> Ibid.

<sup>36</sup> Ibid.

<sup>37</sup> Merrill Brown, “The News is Over,” 2 May 2005: 30, [www.broadcastingcable.com](http://www.broadcastingcable.com).

<sup>38</sup> IBISWorld, “Cable Networks in the US,” 17.

<sup>40</sup> Project for Excellence in Journalism, “State of the News Media 2008: An Annual Report on American Journalism”

<sup>41</sup> The Harris Poll #20, February 24, 2006 [http://www.harrisinteractive.com/harris\\_poll/index.asp?PID=644](http://www.harrisinteractive.com/harris_poll/index.asp?PID=644)

<sup>42</sup> Ibid.

<sup>43</sup> The Pew Research Center for the People and the Press, “Internet Sapping Broadcast News Audience”, June 11, 2005, <http://people-press.org/reports/display.php3?ReportID=36>

<sup>44</sup> Julia Angwin and Joseph Hallinann, “Newspaper Circulation Continues Decline, Forcing Tough Decisions,” *The Wall Street Journal*, 2 May 2005.

<sup>45</sup> XM Radio 2007 10K SEC Filing.

<sup>46</sup> Sirius Radio 2007 10K SEC Filing.

<sup>47</sup> NPR News website. <http://www.npr.org/about/news.html>

<sup>48</sup> Ibid.

<sup>49</sup> Sam Schechner and Sarah McBride, “Tribune CEO Zell Taps Radio’s Ranks to Revive Empire”, *The Wall Street Journal*, Monday, 7 April, 2008.

<sup>50</sup> V. Kumar and Denish Shah, “Pushing and Pulling on the Internet,” *Marketing Research*: (Spring 2004) Vol. 16, Issue 1, 28-33.

<sup>51</sup> Ibid.

<sup>52</sup> John B. Horrigan, *PEW/Internet, PEW Internet and American Life Project, Online News*, iii.

<sup>53</sup> Project for Excellence in Journalism, “State of the News Media 2008: An Annual Report on American Journalism”.

---

<sup>54</sup> VNU Business Publications, "Internet Alchemy: A Fast Scoop is Now Pure Gold," *IT Week*, May 14, 2007, p 22.

<sup>55</sup> IBISWorld "Newspaper Publishing in the US," *IBIS World Industry Report*, [www.ibisworld.com](http://www.ibisworld.com): 10.

<sup>56</sup> "B to B," *QuickHits*, Craine Communications, 10 March 2008, 6.

<sup>57</sup> IBISWorld "Newspaper Publishing in the US," 47.

<sup>58</sup> Laurie Peterson, "Internet Ad Spending Set to Overtake All of the Media by 2011," *Online Media Daily*, 7 August 2007.

<sup>59</sup> Louise Story, "On-Line Advertising Reaching More Consumers? Prove It, Big Companies Say," *The International Herald Tribune*, 30 October 2006, 11.

<sup>60</sup> Ibid, 31.

<sup>61</sup> Ibid, 26.

<sup>62</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>63</sup> Ibid.

<sup>64</sup> Richard P. Adler, "Next-Generation Media: The Global Shift," A Report of the Forum on Communications and Society, Rapporteur, The Aspen Institute, Washington, DC, 2007, <http://www.asiaing.com/next-generation-media-the-global-shift.html>, 4.

<sup>65</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>66</sup> Adler, "Next-Generation Media: The Global Shift," 24.

<sup>67</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>68</sup> Adler, "Next-Generation Media: The Global Shift," 24-25.

<sup>69</sup> Digital Influence Group Glossary, <http://www.digitalinfluencegroup.com/site/index.php?page=glossary>

<sup>70</sup> Andrew Leigh, "Pajama Clad Revolutionaries, Bloggers Get Organized," *National Review Online*, November 15, 2005. <http://www.nationalreview.com/comment/leigh200511150825.asp>

<sup>71</sup> Manuel Roig-Francia, "Cuba Lifts Restrictions On Personal Cellphones, Devices Offer New Conduit For Exchange of Information," *The Washington Post*, March 28, 2008, p. A8, <http://www.washingtonpost.com/wp-dyn/content/story/2008/03/29/ST2008032900020.html>

<sup>72</sup> Mergent. "Industry Report-Media - January 2008." <http://webreports.mergent.com>, 6.

<sup>73</sup> IBISWorld "Newspaper Publishing in the US," 10, 24.

<sup>74</sup> Ibid., 14.

<sup>75</sup> Dean Baquet, Stephen Talbot, and Lowell Bergman. "News War. What's Happening to the News?" (PBS Home Video: 2007).

<sup>76</sup> Karen Dunlap. "The History and Importance of Non-Profit Ownership." (The Poynter Institute: 2004 ) [http://www.poynter.org/content/content\\_view.asp?id=65732](http://www.poynter.org/content/content_view.asp?id=65732).

<sup>77</sup> Ibid.

<sup>78</sup> Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism"

<sup>79</sup> Ibid.

<sup>80</sup> Ibid.

<sup>81</sup> Ibid.

<sup>82</sup> Jeffrey Brown, "FCC Weighs Changing Media "Cross-Ownership" Rules," *The NewsHour with Jim Lehrer*, [http://www.pbs.org/newshour/bb/media/july-dec07/monopolies\\_12-17.html](http://www.pbs.org/newshour/bb/media/july-dec07/monopolies_12-17.html) (accessed April 4, 2008, April 4, 2008).

<sup>83</sup> Newspaper Association of America, <http://www.naa.org/> (accessed April 4, 2008).

<sup>84</sup> Neal Conan, "Talk of the Nation: FCC Overturns 32-Year-Old 'Cross-Ownership' Ban" *National Public Radio*, [2007]), <http://www.npr.org/templates/story/story.php?storyId=17410240>.

<sup>85</sup> Newspaper Association of America

<sup>86</sup> Daniel Kraker, "FCC Promotes Diversity; its Methods may be Dated" *National Public Radio*, [February 26, 2008]), <http://www.npr.org/templates/story/story.php?storyId=38190288> (accessed April 16, 2008).

<sup>87</sup> Cindy Skrzycki, "Broadcasters Scramble to Change the Channel on FCC's Community Mandates," *The Washington Post*, sec. D02, April 15, 2008, 2008, <http://www.washingtonpost.com/wp-dyn/content/article/2008/04/14/AR2008041402726.html?wpisrc=newsletter&wpisrc=newsletter> (accessed April 16, 2008).

---

<sup>88</sup> Sen. Daniel K. Inouye, "Sen. Daniel K. Inouye Holds a Hearing on Media Ownership," *FDCH Political Transcripts* [http://commerce.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=88b66a41-4f00-4e9b-a84e-634833d226cb](http://commerce.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=88b66a41-4f00-4e9b-a84e-634833d226cb).

<sup>89</sup> Ted Gup, *Nation of Secrets: The Threat to Democracy and the American Way of Life*, (New York: Doubleday, 2007), 1.

<sup>90</sup> James E. Baker, "In the Common Defense: National Security Law for Perilous Times", (New York: Cambridge University Press, 2007), 104.

<sup>91</sup> Leonard, J. William, "A New Balancing Test, How Excessive Classification Undermines National Security", transcript of remarks at National FOI Day, 14 March 2008, <http://www.firstamendmentcenter.org/PDF/FOIDay.08.keynote.Leonard.pdf>.

<sup>92</sup> Obtained through discussions at the University of Marmara School of Journalism, Istanbul, Turkey.

<sup>93</sup> 22 U.S.C. § 1461 et. seq.

<sup>94</sup> Legislative History, United States Information and Educational Exchange Act of 1948, 80 Cong. Rec. 1011.

<sup>95</sup> "About the BBG," *Broadcasting Board of Governors*, [http://www.bbg.gov/bbg\\_aboutus.cfm](http://www.bbg.gov/bbg_aboutus.cfm).

<sup>96</sup> Ibid.

<sup>97</sup> Stephen C. Johnson, "Improving U.S. Public Diplomacy Toward the Middle East." *Heritage Lectures* (The Heritage Foundation, May 24, 2004):5.

<sup>98</sup> Alvin A. Snyder, "U.S. Foreign Affairs in the New Information Age: Charting a Course for the 21<sup>st</sup> Century." *The Annenberg Washington Program*, <http://www.annenberg.northwestern.edu/pubs/usfa>

<sup>99</sup> Alvin A. Snyder, "Is it Time to Permit Americans to Watch U.S. International Broadcasting?" *USC Public Diplomacy*, <http://uscpublicdiplomacy.com> (Mar. 8, 2005).

<sup>100</sup> Paul Gronke and Timothy E. Cook, "Disdaining the Media: The American Public's Changing Attitudes Toward the News, Political Communication," (July 1, 2007), (online), <http://www.informaworld.com/smpp/title~content=t713774515>.

<sup>101</sup> Pete Johnson, "Media Mix: Web Becomes Source — Not Outlet — For News," *USA Today Online*, [http://www.usatoday.com/life/columnist/mediamix/2007-03-25-media-mix\\_N.htm](http://www.usatoday.com/life/columnist/mediamix/2007-03-25-media-mix_N.htm).

<sup>102</sup> Bill Reader, "Distinctions That Matter: Ethical Differences at Large and Small Newspapers," *Journalism and Mass Communication Quarterly*, vol. 83, issue 4, (Winter 2006): 851.

<sup>103</sup> Daniel Kuehl, "Information Operations: The Policy and Organizational Evaluation," *Information Warfare*, (Washington, D.C.: Potomac Books, 2007), 20.

<sup>104</sup> Adler, "Next-Generation Media: The Global Shift," 14.

## **BIBLIOGRAPHY**

22 U.S.C. § 1461 et. seq.

"About the BBG," *Broadcasting Board of Governors*, [http://www.bbg.gov/bbg\\_aboutus.cfm](http://www.bbg.gov/bbg_aboutus.cfm).

Adler, Richard P. "Next-Generation Media: The Global Shift." A Report of the Forum on Communications and Society, Rapporteur, The Aspen Institute, Washington, DC, 2007, <http://www.asiaing.com/next-generation-media-the-global-shift.html>.

Alterman, Eric. "Out Of Print: The Death and Life of the American Newspaper."

"American Media On the Brink." *The Economist*, May 3, 2008.

Angwin, Julia and Joseph Hallinann. "Newspaper Circulation Continues Decline, Forcing Tough Decisions." *The Wall Street Journal*. 2 May 2005.

"B to B." *QuickHits*, Craine Communications, 10 March 2008.

Baker, James E. "In the Common Defense: National Security Law for Perilous Times." New York: Cambridge University Press, 2007.

Baquet, Dean, Stephen Talbot, and Lowell Bergman. "News War. What's Happening to the News?" (PBS Home Video: 2007).

Brown, Jeffrey. "FCC Weighs Changing Media 'Cross-Ownership' Rules," *The NewsHour with Jim Lehrer*, [http://www.pbs.org/newshour/bb/media/july-dec07/monopolies\\_12-17.html](http://www.pbs.org/newshour/bb/media/july-dec07/monopolies_12-17.html).

Brown, Merrill. "The News is Over." [www.broadcastingcable.com](http://www.broadcastingcable.com). 2 May 2005.

CBS News Website. <http://www.cbsnews.com/stories/1999/08/20/60minutes/main59202.shtml>.

Conan, Neal. "Talk of the Nation: FCC Overturns 32-Year-Old 'Cross-Ownership' Ban." *National Public Radio*, 2007. <http://www.npr.org/templates/story/story.php?storyId=17410240>.

Cucolo, Anthony Major General, USA, "Strategic Communication: Close Quarters Battle For Emerging Senior Leaders." (2008).



---

Digital Influence Group Glossary, <http://www.digitalinfluencegroup.com/site/index.php?page=glossary>

Downie, Leanord, Jr. and Robert G. Kaiser. *The News about the News: American Journalism in Peril*. New York: Vintage Books, 2003.

Dunlap, Karen. "The History and Importance of Non-Profit Ownership." (The Poynter Institute: 2004 ) [http://www.poynter.org/content/content\\_view.asp?id=65732](http://www.poynter.org/content/content_view.asp?id=65732).

Federal Communications Commission (FCC), "Cable Television Fact Sheet Information Bulletin," June 2000, <http://www.fcc.gov/mb/facts/csgen.html>.

Grimes, Charlotte. *Whither the Civic Journalism Bandwagon?* Boston: John F Kennedy School of Government, Harvard University, 1999.

Gronke, Paul and Timothy E. Cook. "Disdaining the Media: The American Public's Changing Attitudes Toward the News, Political Communication." <http://www.informaworld.com/smpp/title~content=t713774515>.

Gup, Ted. *Nation of Secrets: The Threat to Democracy and the American Way of Life*. New York: Doubleday, 2007.

Hamilton, Madison, Jay. *The Federalist Papers. The Declaration of Independence*. New York: New American Library, 2003.

The Harris Poll #20, February 24, 2006 [http://www.harrisinteractive.com/harris\\_poll/index.asp?PID=644](http://www.harrisinteractive.com/harris_poll/index.asp?PID=644).

Horrigan, John B. *PEW/Internet, PEW Internet and American Life Project. Online News*.

IBISWorld. "Cable Networks in the US." *IBIS World Industry Report*. [www.ibisworld.com](http://www.ibisworld.com).

IBISWorld "Newspaper Publishing in the US." *IBIS World Industry Report*. [www.ibisworld.com](http://www.ibisworld.com).

Inouye, Sen. Daniel K. "Sen. Daniel K. Inouye Holds a Hearing on Media Ownership," *FDCH Political Transcripts* [http://commerce.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing\\_ID=88b66a41-4f00-4e9b-a84e-634833d226cb](http://commerce.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=88b66a41-4f00-4e9b-a84e-634833d226cb).

Johnson, Pete. "Media Mix: Web Becomes Source — Not Outlet — For News." *USA Today Online*, [http://www.usatoday.com/life/columnist/mediamix/2007-03-25-media-mix\\_N.htm](http://www.usatoday.com/life/columnist/mediamix/2007-03-25-media-mix_N.htm).

Johnson, Stephen C. "Improving U.S. Public Diplomacy Toward the Middle East." *Heritage Lectures*. The Heritage Foundation, May 24, 2004.

- 
- Knowledge @ Wharton, "All the News That's Fit to ... Aggregate, Download, Blog: Are Newspapers Yesterday's News?", <http://knowledge.wharton.upenn.edu/article.cfm?articleid=1425>.
- Kraker, Daniel. "FCC Promotes Diversity; its Methods may be Dated." *National Public Radio*, February 26, 2008. <http://www.npr.org/templates/story/story.php?storyId=38190288>.
- Kuehl, Daniel. "Information Operations: The Policy and Organizational Evaluation." *Information Warfare*, Washington, D.C.: Potomac Books, 2007.
- Kumar, V. and Denish Shah. "Pushing and Pulling on the Internet." *Marketing Research*: (Spring 2004) Vol. 16, Issue 1.
- Kurtz, Howard. *Reality Show: Inside the Last Great Television News War*. New York: Free Press, 2007.
- Legislative History, United States Information and Educational Exchange Act of 1948, 80 Cong. Rec. 1011.
- Leigh, Andrew. "Pajama Clad Revolutionaries, Bloggers Get Organized." *National Review Online*. November 15, 2005. <http://www.nationalreview.com/comment/leigh200511150825.asp>
- Marketing Charts. <http://www.marketingcharts.com/television/us-television-households-increase-13-for-2007-2008-season-1385/nielsen-us-tv-2007-2008-demographics.jpg/>.
- Mergent. "Industry Report-Media - January 2008." <http://webreports.mergent.com>.
- Newspaper Association of America, <http://www.naa.org/>.
- Nocera, Joe. "Self-Made Philanthropists." *The New York Times*. New York: March 9, 2008. <http://www.nytimes.com/2008/03/09/magazine/09Sandlers-t.html?ref=magazine>
- NPR News website. <http://www.npr.org/about/news.html>
- Pearlstein, Steve. "Newspaper Publishers Chasing the Wrong Story." *Washington Post*. Washington: April 16, 2008, [http://www.washingtonpost.com/wp-dyn/content/article/2008/04/15/AR2008041503159.html?nav=rss\\_business](http://www.washingtonpost.com/wp-dyn/content/article/2008/04/15/AR2008041503159.html?nav=rss_business)
- Peterson, Laurie. "Internet Ad Spending Set to Overtake All of the Media by 2011." *Online Media Daily*. 7 August 2007.
- The Pew Research Center for the People and the Press. "Internet Sapping Broadcast News Audience", June 11, 2005, <http://people-press.org/reports/display.php3?ReportID=36>.

---

The Pew Research Center for the People and the Press. "The Web: Alarming, Appealing and a Challenge to Journalistic Values." March 17, 2008. *Project for Excellence in Journalism*.

Program on International Policy Attitudes, "*The Iraqi Public on the US Presence and the Future of Iraq*," [www.worldopinion.org/rldopinion.org](http://www.worldopinion.org/rldopinion.org).

Project for Excellence in Journalism, "State of the News Media 2008: An Annual Report on American Journalism." *Journalism.org*. March 2008. <http://www.stateofthenewsmedia.org/2008>

Reader, Bill. "Distinctions That Matter: Ethical Differences at Large and Small News-papers." *Journalism and Mass Communication Quarterly*, vol. 83, issue 4, Winter 2006.

Roberts, Alisdair. *Blacked Out: Government Secrecy in the Information Age*. New York: Cambridge University Press, 2006.

Roig-Francia, Manuel. "Cuba Lifts Restrictions On Personal Cellphones, Devices Offer New Conduit For Exchange of Information." *The Washington Post*. March 28, 2008. <http://www.washingtonpost.com/wp-dyn/content/story/2008/03/29/ST2008032900020.html>

Saba, Jennifer. "New Rules to Count On." *Editor & Publisher*. Vol. 140, Issue 12. New York: Dec 2007.

Schechner, Sam and Sarah McBride. "Tribune CEO Zell Taps Radio's Ranks to Revive Empire." *The Wall Street Journal*. Monday, 7 April, 2008.

Sirius Radio 2007 10K SEC Filing.

Skrzycki, Cindy. "Broadcasters Scramble to Change the Channel on FCC's Community Mandates." *The Washington Post*, April 15, 2008. <http://www.washingtonpost.com/wp-dyn/content/article/2008/04/14/AR2008041402726.html?wpisrc=newsletter&wpisrc=newsletter>.

Snyder, Alvin A. "Is it Time to Permit Americans to Watch U.S. International Broadcasting?" *USC Public Diplomacy*.. <http://uscpublicdiplomacy.com>. Mar. 8, 2005.

Snyder, Alvin A. "U.S. Foreign Affairs in the New Information Age: Charting a Course for the 21<sup>st</sup> Century." *The Annenberg Washington Program*, <http://www.annenberg.northwestern.edu/pubs/usfa>

Stelter, Brian. "Citizen Huff." *The New York Times*. New York: March 31, 2008. [http://www.nytimes.com/2008/03/31/business/media/31huffington.html?\\_r=2&oref=slogin&pagewanted=print](http://www.nytimes.com/2008/03/31/business/media/31huffington.html?_r=2&oref=slogin&pagewanted=print)

Story, Louise. "On-Line Advertising Reaching More Consumers? Prove It, Big Companies Say." *The International Herald Tribune*. 30 October 2006.

---

Sutel, Seth. "Newspaper Vendors Worry About Downturn." *Associated Press*, Washington: April 13, 2008. [http://biz.yahoo.com/ap/080413/newspaper\\_conference.html?v=4](http://biz.yahoo.com/ap/080413/newspaper_conference.html?v=4).

VNU Business Publications, "Internet Alchemy: A Fast Scoop is Now Pure Gold." *IT Week*, May 14, 2007.

William, Leonard, J. "A New Balancing Test, How Excessive Classification Undermines National Security." transcript of remarks at National FOI Day, 14 March 2008, <http://www.firstamendmentcenter.org/PDF/FOIDay.08.keynote.Leonard.pdf>.

XM Radio 2007 10K SEC Filing.

